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C O N F I D E N T I A L SECTION 01 OF 02 BASRAH 000015

SIPDIS

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SUBJECT: BASRA: PROVINCIAL GOVERNMENT NEGOTIATIONS CONTINUE

REF: BASRA 13

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CLASSIFIED BY: Ian Sheridan, Economic Officer, Economic Section, U.S. Department of State. REASON: 1.4 (b), (d)

----Summary

11. (SBU) In March 17-19 meetings with the Senior Advisor for Southern Iraq and the Regional Embassy Office, Basra political leaders all but conceded that the next provincial government will be headed by the Da'wa-led State of Law coalition, despite attempts by opposition parties to capitalize on serious divisions within the winning slate. Selections for the five executive positions have still not been completed, though State of Law has a plan for allocating the seats. Incoming Provincial Council (PC) members pledged cooperation for the betterment of Basra citizens, cited the need for tangible improvement in the areas of services, security, and employment, as well as a continued strong partnership with the Provincial Reconstruction Team to be led by the U.S. as of April 1. End summary.

Opposition Dreams

- 12. (C) Newly-elected PC members gave the impression that they were advising and lobbying the coalition-building process, but that final decisions for Basra were being made by the Prime Minister. Amir al-Fayez, sheikh of the Bani Amer Tribe and leader of the Justice and Unity party, said that he had been to Baghdad four times since the elections to discuss. He believed that three "independents" within the 20-seat State of Law delegation were unhappy enough with the coalition-building process that they could be flipped to his side, which would give the opposition a majority 18 of 35 seats. Fayez said that the opposition was already coordinating as a group, with ISCI/Badr and the Sadrists both attending a recent meeting he organized. Fayez also left the door open to cooperation with State of Law, saying that it would be smart for them to "put the burden on all the parties" by appointing members from outside the party, thus sharing any success and blame. He said that his party could also leave the PC if there are "no fruitful results," and hinted that he might later seek a seat in the Council of Representatives.
- ¶3. (C) Hasan Kadim Hasan al-Rashid (Shaheed al Mihrab), leader of Badr Organization, a former Governor, and the only PC member who won re-election, was less optimistic that the opposition would be able to make deals with State of Law dissidents. He also played down the idea that the 15 non-SOL PC members would be able to form any kind of cohesive opposition. He noted the

"different perspectives" among many individual parties, citing in particular Fadhilah and the Christian representative, making any such group hard to be cohesive. On the other hand, he said "if there is conflict within the State of Law, we can make things happen and take advantage."

The View from Da'wa

- ¶4. (C) Dayaa Jafar Hajham, newly-elected Da'wa Central PC member and also Southern Oil Operations Manager, told us that the Prime Minister's office had approved a plan developed by State of Law/Basra for allocating executive seats. In this plan, the new governor will be from Da'wa Central (Maliki's wing), the PC chairman from Da'wa Iraq, and one of the two deputy governors will be from the "Independents" wing associated with Dr. Safa al-Safi. The plan included some outreach to the opposition. Sheikh Amir al-Fayez will be offered either a deputy governor or deputy PC chairman, with the other position going either to the Sunni Iraqi Islamic Party or Ayad Allawi's Iraqi National Accord. Jafar said that his coalition sees al-Fayez as "the most cooperative one" among non-State of Law PC members.
- 15. (C) Dayaa acknowledged that the choice for governor would come down to Dr. Chaltag Abud and himself, both Da'wa Central members. When prodded, he said he was the leading candidate. (Note: many REO contacts have also told us Dayaa has emerged in the past couple weeks as the most probable governor. End note.) Dayaa said that State of Law had discussed naming a governor from outside its ranks as a means of showing that Da'wa was not attempting to horde all the executive positions, but later decided that it would be unwise to do so. The recent experience with Governor Wa'eli who never commanded the respect of the PC majority was cited as an example to be avoided.

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Maliki-Sadrists

16. (C) Sadrists, who will be lining up with State of Law in most other Shi'a-majority provinces, will not be part of the governing team in Basra. Dayaa explained that Basra citizens had "a bad experience with them; it would be hard to explain (cooperation in the PC) to the people." He also noted that the two newly-elected Sadrist PC members are not experienced in government or management and do not have much to offer. Dayaa noted wearily that some Sadrist detainees have been released lately, due in part to talks with Baghdad, but said "we are concerned even about those who were released." Hassan-Rashid from Badr Organization, on the other hand, suggested he could get along with the Sadrists in the opposition, saying "we weren't the ones who attacked them."

Christian Minority View

17. (C) Dr. Saad Mati Potrous, who will occupy the Christian seat on the PC, said that he had declined an offer to join a Da'wa coalition. He emphasized that, given the vulnerability of his constituents, it would be better to "keep on the sidelines," and that he has good relations with all parties. He has told REO officers in the past that other parties trust the Christians in Basra, and it is best to "stay out" of their politics. He said that his top priority will be to take care of the Christian community's affairs. He asked for assistance in re-establishing what he said was one of three destroyed or neglected Christian community centers.

Need to Deliver

18. (C) All interlocutors emphasized that Basra citizens are demanding tangible improvements in services, security, and employment. Dayaa, the potential governor, focused on services specifically, listing his priorities as electricity, water, and health (sewage and hospitals). Everyone acknowledged that the PC will be judged by its performance in these areas. Representatives expressed their desire for a continued strong partnership with the Provincial Reconstruction Team, to be led by the U.S. as of April 1. Hassan al-Rashid (Badr) said that if the U.S. and other "friendly countries" do not invest in Basra and Iraq, "unfriendly" ones such as Iran will continue to do so.

Comment

19. (C) New PC members are well aware that the electorate has high expectations for them to deliver. If Da'wa takes the vast majority of executive positions, as appears likely, it would strengthen the bond between Basra province and the central government in Baghdad -- a relationship that has traditionally been contentious and at time dysfunctional. While this would contribute to the centralization of power in the Maliki government, it could also help Basra get greater attention and resources. End comment.